

STATE BONDING FUND
INVESTMENT PERFORMANCE REPORT AS OF MARCH 31, 2003

	March-03					December-02				September-02				Current Fiscal YTD	Prior Year FY02	3 Years Ended 6/30/2002	5 Years Ended 6/30/2002
	Market Value	Allocation Actual	Policy	Quarter Net ROR	Month Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Net	Net	Net	Net
LARGE CAP DOMESTIC EQUITY																	
<i>Structured Growth</i>																	
AllianceBernstein	127,347	2.7%	2.3%	-0.09%	3.24%	90,682	1.9%	2.3%	2.89%	88,119	1.9%	2.3%	-13.54%	-11.11%	-28.65%	-16.80%	N/A
Russell 1000 Growth				-1.07%	1.86%				7.15%				-15.05%	-9.95%	-26.49%	-16.15%	N/A
<i>Structured Value</i>																	
LSV	95,907	2.0%	2.3%	-5.73%	0.03%	101,706	2.1%	2.3%	6.53%	95,492	2.1%	2.3%	-18.60%	-18.25%	2.41%	5.40%	N/A
Russell 1000 Value				-4.86%	0.17%				9.22%				-18.77%	-15.60%	-8.96%	-2.92%	N/A
<i>S&P 500 Index</i>																	
State Street	478,114	10.1%	10.5%	-3.17%	0.96%	473,725	10.0%	10.5%	8.41%	436,958	9.6%	10.5%	-17.26%	-13.14%	-18.03%	-9.27%	3.58%
S&P 500				-3.15%	0.97%				8.44%				-17.28%	-13.13%	-17.99%	-9.18%	3.67%
TOTAL LARGE CAP DOMESTIC EQUITY	701,367	14.8%	15.0%	-3.02%	1.16%	666,113	14.0%	15.0%	7.34%	620,568	13.6%	15.0%	-16.96%	-13.55%	-16.89%	-8.30%	3.74%
S&P 500				-3.15%	0.97%				8.44%				-17.28%	-13.13%	-17.99%	-9.18%	3.67%
SMALL CAP DOMESTIC EQUITY																	
<i>Manager-of-Managers</i>																	
SEI	217,222	4.6%	5.0%	-4.21%	1.25%	226,769	4.8%	5.0%	4.91%	216,166	4.7%	5.0%	-19.31%	-18.91%	-11.77%	N/A	N/A
Russell 2000 + 200bp				-4.00%	1.46%				6.68%				-20.97%	-19.06%	-7.96%	N/A	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	217,222	4.6%	5.0%	-4.21%	1.25%	226,769	4.8%	5.0%	4.91%	216,166	4.7%	5.0%	-19.31%	-18.91%	-11.69%	2.22%	4.32%
Russell 2000				-4.49%	1.29%				6.16%				-21.40%	-20.30%	-8.59%	1.67%	4.44%
CONVERTIBLES																	
TCW	490,295	10.3%	10.0%	1.16%	1.40%	484,597	10.2%	10.0%	8.15%	448,073	9.8%	10.0%	-10.05%	-1.60%	-20.37%	-2.22%	N/A
First Boston Convertible Index				3.82%	1.48%				9.83%				-8.47%	4.36%	-12.44%	0.11%	N/A
INTERNATIONAL EQUITY																	
<i>Large Cap - Active</i>																	
Capital Guardian	393,793	8.3%	9.0%	-10.00%	-3.23%	437,480	9.2%	9.0%	7.30%	408,577	9.0%	10.0%	-20.58%	-23.30%	-12.10%	-2.96%	2.87%
MSCI EAFE - 50% Hedged				-9.03%	-2.22%				4.04%				-20.02%	-24.30%	-14.62%	-7.32%	-1.89%
<i>Small Cap - Value</i>																	
Lazard	44,334	0.9%	1.0%	-7.11%	-0.35%	47,790	1.0%	1.0%	N/A	-	0.0%	10.0%	N/A	N/A	N/A	N/A	N/A
SSB BROAD MARKET INDEX < \$2BN				-2.09%	-0.40%				N/A				N/A	N/A	N/A	N/A	N/A
TOTAL INTERNATIONAL EQUITY	438,127	9.2%	10.0%	-9.71%	-2.95%	485,271	10.2%	10.0%	7.81%	408,577	9.0%	10.0%	-20.58%	-22.69%	-12.10%	-2.96%	2.87%
MSCI EAFE - 50% Hedged				-9.03%	-2.22%				4.04%				-20.02%	-24.30%	-14.62%	-7.32%	-1.89%
DOMESTIC FIXED INCOME																	
<i>Core Bond</i>																	
Western Asset	1,243,291	26.2%	25.0%	2.16%	-0.38%	1,260,272	26.5%	25.0%	2.96%	1,229,080	26.9%	25.0%	3.51%	8.87%	8.36%	8.53%	7.80%
Lehman Aggregate				1.39%	-0.08%				1.57%				4.58%	7.70%	8.62%	8.10%	7.57%
<i>Index</i>																	
Bank of ND	683,444	14.4%	15.0%	1.65%	-0.14%	668,538	14.1%	15.0%	1.65%	688,481	15.1%	15.0%	5.96%	9.49%	8.38%	7.79%	7.42%
Bank of ND CD'S	-	0.0%	0.0%	N/A	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	5.04%	5.55%	5.48%
Total Index	683,444	14.4%	15.0%	1.65%	-0.14%	668,538	14.1%	15.0%	1.65%	688,481	15.1%	15.0%	5.96%	9.49%	8.14%	7.66%	7.30%
Lehman Gov/Credit				1.65%	-0.13%				1.73%				5.70%	9.29%	8.24%	7.86%	7.47%
<i>BBB Average Quality</i>																	
Strong	526,601	11.1%	10.0%	3.29%	0.69%	506,945	10.7%	10.0%	4.48%	487,305	10.7%	10.0%	3.08%	11.24%	N/A	N/A	N/A
Lehman US Credit BAA				3.40%	0.54%				4.59%				2.70%	11.06%	N/A	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	2,453,336	51.7%	50.0%	1.63%	-0.09%	2,435,755	51.2%	50.0%	2.89%	2,404,866	52.7%	50.0%	4.11%	8.86%	7.55%	7.88%	7.42%
Lehman Gov/Credit				1.65%	-0.13%				1.73%				5.70%	9.29%	8.24%	7.86%	7.47%
CASH EQUIVALENTS																	
Bank of ND	441,481	9.3%	10.0%	0.35%	0.12%	459,252	9.7%	10.0%	0.41%	465,531	10.2%	10.0%	0.48%	1.25%	2.41%	4.76%	4.99%
90 Day T-Bill				0.30%	0.12%				0.43%				0.45%	1.19%	2.63%	4.68%	4.84%
TOTAL BONDING FUND	4,741,827	100.00%	100.00%	-0.30%	0.05%	4,757,758	100.00%	100.00%	4.21%	4,563,781	100.00%	100.00%	-4.50%	-0.77%	-2.86%	2.87%	6.19%
POLICY TARGET BENCHMARK				-0.30%	0.11%				3.96%				-3.96%	-0.46%	-1.19%	2.83%	5.77%

NOTE: Monthly returns and market values are preliminary and subject to change.